GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:15
ANSWERED ON:02.12.2003
INDIAN DRUGS AND PHARMACEUTICALS LIMITED
BHAN SINGH BHAURA

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that a proposal has been finalized at the Ministry level to reorganise the IDPL;

(b) if so, the details thereof; and

(c) if not, the reasons thereof?

Answer

THE MINISTER OF STATE FOR CHEMICALS & FERTILIZERS (DR. CHHATTRA PAL SINGH)

(a), (b) & (c) : A reference was made to BIFR under the provisions of Sick Industrial (Special) Provision Act 1985and IDPL was declared as sick in August, 1992. Thereafter, BIFR had attempted revival packages for the company. TheGovernment on its part had communicated to BIFR in November, 2001 that the Government intended to provide the following concessions/facilities for cleaning up of the Balance Sheet of IDPL to facilitate it pricatization:-

(a) Conversion of Government loan into equity;
(b) Waiver of interest/penal interest and guarantee fee by the Government of India;
(c) Payment of outstanding statutory dues and funding of VRS.

However, no revival scheme for IDPL could emerge. Now the BIFR issued a Show Cause notice for winding up of IDPL and the matte is listed for hearing before the BIFR on 4th December, 2003. Government has however introduceda VRS Scheme and 5890 employees have been separated so far leaving 702 employees on the rolls of the company.